

APPENDIX R

CONSIDERATION OF PAST PERFORMANCE IN A-E SELECTIONS

1. Past performance is an important consideration in the selection of A-E firms. Past performance is an indicator of a firm's ability to perform a contract successfully. (Experience is *what* a firm has done. Past performance is *how well* it has done.) The Government must be fair and reasonable in its application of past performance information since it can have a significant bearing on contractor selection. This appendix addresses some of the considerations when evaluating past performance.
2. The principal guidance on the use of past performance information in A-E selections is found in the following references:
 - a. Federal Acquisition Regulation (FAR) 15.304 -15.306, and 36.602-1(a)(4).
 - b. Best Practices for Collecting and Using Current and Past Performance Information, Office of Federal Procurement Office (available on the web at: <http://www.arinet.gov/far/loadmain.html>)
 - c. Guide to Collection and Use of and Past Performance Information (PPI), Department of Defense (available on the web at: <http://www.desk.osd.mil>; look under Reference Library, DoD, Discretionary Documents List).
 - d. Army Source Selection Guide (available on the web at: http://acqnet.saalt.army.mil/library/Army_Source_Selection_Guide_Jun_2001.pdf)
3. ACASS is the primary source of information on past performance (DFARS 236.602-1(a)(4)). ACASS will be queried for all prime firms. Performance evaluations for any significant subcontractors may also be considered. Any credible, documented information on past performance can be considered, but a board is not required to seek other information on the past performance of a firm if none is available from ACASS. Complete evaluations, and not summaries, will be reviewed if a board is considering downgrading or eliminating a firm due to adverse past performance.
4. Evaluation boards must also consider any information that a firm submits on its past performance on recent similar contracts, including design-build contracts. This information can be for key personnel, specific elements of a company or major subcontractors, which is especially important for new companies entering the marketplace or for mergers of previous companies. It is the responsibility of the firm to explain how the past performance information is relevant to the proposed contract. A firm can also provide information on problems encountered in prior contracts and discuss actions that it has taken to remedy any unsatisfactory performance. This would be especially important for companies that have acquired the resources of other previous companies.
5. A board must ensure that a firm has had an opportunity to comment on any adverse performance if that information is a factor in the firm not being selected. A board can generally assume that firms have had an opportunity to comment on adverse evaluations in ACASS, since

this is required by FAR 36.604(a)(4) for A-E contracts. However, this may not be true for evaluations obtained from other sources. Also, a performance evaluation of a design-build contract that addresses an A-E firm's design performance can also be considered, provided the firm is given an opportunity to comment on the evaluation which it may not have seen before.

6. A board will consider the relevancy of past performance information to the proposed contract. The more relevant the information, the more weight it carries. Relevancy includes at least the following factors:

a. Similarities of the work in terms of complexity, scope and size. The more similar a firm's past work to the specific requirements of the proposed contract, the more weight the past performance information should be given. Give more emphasis to a firm's past performance on the projects that it cites in its SF 255 as relevant specialized experience.

b. Key personnel, branch offices, and subcontractors involved. Do not consider past performance information on personnel, subordinate or affiliated offices, or subcontractors who will not be used in the proposed contract. The past performance of an office that has been acquired by buying or merger with other companies can be considered if that office is proposed for use in the contract.

c. Firm's role in proposed contract. Companies form various teaming arrangements, such as a joint venture and prime contractor-subcontractor, with each company assigned certain roles in the proposed contract. Focus more heavily on the past performance of each company in similar roles.

d. Currentness. The more recent the past performance information, the more indicative it is of a firm's likely performance on the proposed contract. An evaluation board can set a reasonable limit on the "age" of evaluations that will be considered.

e. General trends in a firm's performance. If a firm received an adverse evaluation in the past but more recent evaluations show a clear improvement trend, then give the prior evaluation little weight. This would be especially pertinent for a recently acquired branch office that is now under new management control.

f. Credibility and detail of the past performance report. Give more weight to formal Federal evaluations. Be careful using simplistic evaluations from private clients. And again, be especially cautious if the evaluation is unsatisfactory since the offeror may not be aware of it.

g. DoD Contracts. A firm that has earned excellent evaluations on recent DoD A-E contracts for similar projects will be ranked relatively higher on past performance (DFARS 236.602-1(a)(6)(B)).

7. If no relevant past performance information is available on a firm, the firm will be given a neutral evaluation regarding past performance.